

HEXAWARE TECHNOLOGIES LIMITED
Policy on determination of material subsidiaries and related matters

1. Objective

The objective of this Policy is to determine Material Subsidiary and related matters.

2. Definitions

“Audit Committee or Committee” means “Audit Committee” constituted by the Board of Directors of the Company constituted in accordance with provisions of Section 177 of the Companies Act, 2013 read with Clause 49 of Listing Agreement entered into by the Company with stock exchanges in India.

“Board of Directors” or “Board” means the Board of Directors of Hexaware, as constituted as per Section 149 and the other applicable provisions of Companies Act, 2013.

“Independent Director” or “ID” means a non- executive Director of the Company, other than a nominee Director and who is neither a promoter nor belongs to the promoter group of the Company, and who satisfies other criteria for independence mentioned in the Companies Act, 2013 and the Listing Agreement entered into by the Company with the stock exchanges in India.

“Material Subsidiary” means a subsidiary in which the investment by the Company exceeds 20% of it’s consolidated net worth as per the audited balance sheet of the previous financial year or if the subsidiary has generated 20% of the consolidated income of the Company during the previous financial year.

“Subsidiary” shall be as defined under the Companies Act, 2013 and the Rules made thereunder.

3. Policy

- a) The Company shall not dispose off shares in its Material Subsidiary which would reduce its shareholding (either on its own or together with other subsidiaries) to less than fifty percent [50%] or cease the exercise of control over the subsidiary without passing a special resolution in its General Meeting except in such cases where divestment is under a scheme of arrangement duly approved by a court/ tribunal.
- b) Selling, disposing and leasing of assets amounting to more than twenty percent [20%] of the assets of the Material Subsidiary on an aggregate basis during a financial year shall require prior approval of shareholders by way of special resolution, unless the sale/disposal/lease is made under a scheme of arrangement duly approved by a court/tribunal.

4. Review of the policy

This Policy is framed based on Clause 49 of the Listing Agreement prevailing on the Policy date. Any subsequent changes in the applicable laws and/or the Listing Agreement which make any of the provisions of the Policy inconsistent with the applicable laws and/or the Listing Agreement would prevail over the Policy and the relevant provisions of the Policy

would be amended / modified in due course so as to make it consistent with the applicable laws and the Listing Agreement.